



# Executive Summary

In order to address housing and human service issues that face its community, the City of Indianapolis receives federal grant funding from the United States Department of Housing and Urban Development (HUD). As part of the application process for these grants, the City must produce a Consolidated Plan, a five-year strategic overview of the community's current needs and specific actions for addressing these needs.

At the close of each program year, the City completes a *Consolidated Annual Performance and Evaluation Report* (CAPER) designed to summarize those activities undertaken by the City to meet the objectives set out in the Consolidated Plan. In 2005, the City began work on the first year of its *2005-2009 Consolidated Plan*.

Four federal entitlement grants make up the bulk of the funding that supports the activities detailed in this report: the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, the Emergency Shelter Grant (ESG) Program, and the Housing Opportunities for Persons with AIDS (HOPWA) Program. The Supportive Housing Program (SHP) is a competitive federal grant program that is also used by the City, particularly to combat homelessness. All together, the City received more than \$19 million in HUD funding through these various grant programs.

## Annual Accomplishments

The activities undertaken in 2005 with these federal dollars address the needs and priorities identified in the *2005-2009 Consolidated Plan*. This Plan includes six goals and several strategies to meet the City's identified needs and priorities.

The first goal in the Consolidated Plan is to increase the availability of safe, decent, affordable housing. In 2005, the City awarded CDBG and HOME funds to acquire and rehabilitate 15 substandard units for homeownership, create 368 rental units, provide direct homeownership assistance to 73 homebuyers and assist 309 homeowners with repairs to their homes.

The second goal is to prevent homelessness for special needs populations and persons at-risk of homelessness. More than 650 people received emergency rent and utility assistance or tenant-based rental assistance in 2005. This goal was achieved using a combination of ESG, HOME, and HOPWA funding. The City does not have a goal specific to the HOPWA program, but this goal to prevent homelessness is addressed, in part, by providing housing assistance and supportive service with HOPWA dollars. In addition, 2,776 people working towards self-sufficiency received supportive services such as legal services, child care, health care, case management and transportation.

The third goal, increasing educational opportunities, was met by funding youth programs emphasizing education and life skills, as well as adult job training programs. In 2005, 928 youth participated in youth programs funded with CDBG dollars while 1,038 people were served through CDBG funded job training.

The fourth goal in the Consolidated Plan is to support capital enterprise development for job creation. CDBG funds were leveraged with private resources to work towards this goal. In 2005, 245 people were placed in jobs earning a livable wage and of these, 86 retained their jobs for at least 180 days. Also, 415 new jobs were created through the City's tax abatement program. Finally, CDBG funds were invested to provide exterior façade improvements to 23 commercial buildings located in Indianapolis' urban commercial districts.

The fifth goal is to eliminate unsafe buildings and sites. The City used CDBG funds, local funds and State grant funds to fund the Unsafe Building Program and the Indianapolis Brownfields program. Approximately 4,600 unsafe buildings were secured, demolished, or repaired in 2005. In addition, 11 brownfield sites were assessed or remediated in preparation for future development.

The final goal identified in the Consolidated Plan is to combine housing opportunities with social and public services. In 2005, 61 percent of the services funded with federal dollars were connected to permanent housing and 100 percent of the housing development projects funded with 2005 grant funds were within a 10-minute walk of public transportation.

In many instances, the City met or exceeded its annual goals identified in the Consolidated Plan; however, two goals were not. The City will continue to focus efforts on all six goals to achieve the five-year benchmarks identified in the Consolidated Plan.

This *Consolidated Annual Performance and Evaluation Report* provides information and details on the use of United States Department of Housing and Urban development funds. In addition, it includes activities that reduce impediments to fair housing, activities undertaken in partnership with the Indianapolis Housing Agency, activities that eliminate barriers to affordable housing, activities funded to address homelessness and accomplishments made in the Neighborhood Revitalization Strategy Area.



# Assessment of Goals

The *2005-2009 Consolidated Plan* includes six goals that address the City's housing and community development needs. In addition to these five-year benchmarks, the City set similar goals to be achieved each year in the *Annual Action Plan*. Table A summarizes these goals and strategies and illustrates the progress that has been made towards each.

## Increase the availability of safe, decent, affordable housing

The Consolidated Plan includes five strategies to increase the availability of safe, decent, affordable housing. This goal will be met by:

1. Rehabilitating substandard units to create rental housing for persons at 0-30% of the median family income (MFI.) In 2005, the City invested nearly \$3.4 million to complete affordable rental units, 306 of which were developed for families earning less than 30 percent of the area median family income. The City has achieved 94 percent of its five-year goal to create 325 rental units for our extremely low-income population.
2. Rehabilitating substandard units to create rental housing for persons at 31-80% MFI. The 2005 goal was to create 40 rental units for this population. The City was able to exceed this number by 22 units. An investment of \$734,000 to complete 62 rental units for families in this income range was also made, keeping the City on course to meet its five-year goal of creating 200 rental units for this population.
3. Rehabilitating substandard units to create homeownership opportunities for persons below 80% MFI. In 2005, the City awarded HOME funds to community development corporations to acquire, rehabilitate and sell houses to low/moderate-income homebuyers. As a result, the City achieved 21.4 percent of its annual goal and 4.3 percent of the five-year goal.
4. Increasing homeownership opportunities of low-moderate income persons through down payment assistance. The City invested CDBG, HOME, and ADDI fund dollars to provide direct homeownership assistance to 73 homebuyers in 2005.
5. Assisting homeowners with repairs to their homes. An investment of nearly \$4 million was made by the City to provide repairs to 309 units during 2005. This number exceeded the annual goal by 109 units. In the first year of this Consolidated Plan, 30.9 percent of the five-year goal has already been met.

### **Prevent homelessness for special needs populations and persons at risk of homelessness**

The City provided rent assistance, utility assistance and supportive services to homeless persons, senior citizens, persons with disabilities, persons with HIV/AIDS and persons at risk of homelessness in 2005. These services were made available using a combination of funding sources such as, CDBG, ESG and HOPWA. Rent and utility assistance was given to 667 people, which exceeded the City's annual goal. To date, 26.7 percent of the five-year goal to provide rent and utility assistance to 2,500 people has been met. In addition, supportive services were provided to 2,776 people working towards self-sufficiency. This number has exceeded both the annual goal and five-year goal.

### **Increase educational opportunities**

The city funded nine organizations through the summer youth program and one organization for a year around program in 2005. Most of these youth programs emphasized education and included outcomes to increase student grades. Others focused on improving life skills, job training, and summer employment. In 2005, 928 youth participated in youth programs funded by the CDBG program. The City fell short of meeting its annual goal of increasing educational opportunities for 1,500 youth; however, the five-year goal can be met. To date, the City has achieved 12.4 percent of the five-year goal.

In addition to increasing educational opportunities for youth, the City has awarded CDBG funds to increase educational opportunities for adults through job training. In 2005, the City funded six organizations to provide job training, placement and retention services to low-income persons working towards self-sufficiency. The City far exceeded its annual goal to provide job training. More than 1,000 individuals received job training in 2005. This also exceeded the five-year goal. The *Consolidated Plan* will be amended in 2006 to increase the goal for job training.

### **Support capital enterprise development for job creation**

Over the past five years, the City has invested CDBG and Section 108 Loan funds into the development of Keystone Enterprise Park. This project consisted of property acquisition, relocation, infrastructure improvements and site preparation for an industrial park located in the Martindale Brightwood neighborhood. In 2005, the City sold six acres of land in this industrial park to three businesses. These companies will create 24 new jobs with an average wage of \$15.41 per hour.

In addition, the City's tax abatement program, which creates and tracks new jobs for a period of time, created a total of 415 new jobs in 2005. Of these, 26 were located within the Indianapolis Neighborhood Revitalization Strategy Area.

## **Eliminate unsafe buildings and sites**

The Indianapolis Brownfields Redevelopment Program has identified over 120 properties in need of cleanup and redevelopment in Center Township alone. The targeted areas are former industrial or commercial sites where perceived or real contamination prohibits redevelopment. The Consolidated Plan indicates that the City will use CDBG funds to assess and clean up four sites per year over the next five years. These efforts contribute to the elimination of unsafe building conditions and environmental hazards. In 2005, the Brownfields program used CDBG funds to aid 11 projects encompassing 22 individual parcels of land.

In addition, the City invested CDBG and local funds in the Unsafe Building program in 2005. The Marion County Health and Hospital Corporation issued 5,835 orders to board, demolish, or rehabilitate vacant and unsafe structures in Indianapolis. A total of 4,655 units were actually addressed with 3,237 units secured by being boarded; 414 units were demolished and 1,004 units were repaired. The City exceeded the annual goal by 1,655 units and has achieved 31 percent of the five-year goal.

## **Combine housing opportunities with social and public services**

The Consolidated Plan identifies two strategies to combine housing opportunities with social and public services. First, the City will fund services that are connected to permanent housing. In 2005, 61 percent of the funds allocated for service activities were connected to permanent housing or included outcomes that placed persons/families in permanent housing. The Consolidated Plan also specifies that the City will fund housing development projects that have access to transportation. In 2005, 100 percent of housing projects funded with HOME dollars were within a ten-minute walk of public transportation.

Table A on the following page summarizes each of the above goals and strategies and illustrates the progress that has been made towards each. The final column of this chart represents the percentage of the five-year goal that has been met to date.

Table A

GOAL	STRATEGY	2005 GOAL	2005 ACTUAL	5 YEAR GOAL	% OF 5 YEAR GOAL MET
Increase the availability of safe, decent, affordable housing	<ul style="list-style-type: none"> <li>• Rehab substandard units to create rental housing for persons at 0-30% MFI.</li> <li>• Rehab substandard units to create rental housing for persons at 31-80% MFI.</li> <li>• Rehabilitate substandard units to create homeownership opportunities.</li> <li>• Increase homeownership opportunities for low/mod income persons through down payment assistance.</li> <li>• Assist homeowners with repairs to residences.</li> </ul>	<ul style="list-style-type: none"> <li>• 75</li> <li>• 40</li> <li>• 70</li> <li>• 40</li> <li>• 200</li> </ul>	<ul style="list-style-type: none"> <li>• 306</li> <li>• 62</li> <li>• 15</li> <li>• 73</li> <li>• 309</li> </ul>	<ul style="list-style-type: none"> <li>• 325</li> <li>• 200</li> <li>• 350</li> <li>• 200</li> <li>• 1,000</li> </ul>	<ul style="list-style-type: none"> <li>• 94.2%</li> <li>• 31%</li> <li>• 4.3%</li> <li>• 36.5%</li> <li>• 30.9%</li> </ul>
Prevent homelessness for special needs populations and persons at-risk of homelessness	<ul style="list-style-type: none"> <li>• Provide emergency rent and utility assistance to persons with special needs and persons at risk of homelessness.</li> <li>• Provide supportive services to persons at risk of homelessness or special needs populations towards self-sufficiency.</li> </ul>	<ul style="list-style-type: none"> <li>• 500</li> <li>• 250</li> </ul>	<ul style="list-style-type: none"> <li>• 667</li> <li>• 2,776</li> </ul>	<ul style="list-style-type: none"> <li>• 2,500</li> <li>• 1,250</li> </ul>	<ul style="list-style-type: none"> <li>• 26.7%</li> <li>• 222.3%</li> </ul>
Increase educational opportunities	<ul style="list-style-type: none"> <li>• Increase educational opportunities for youth.</li> <li>• Provide job training to low-moderate income persons.</li> </ul>	<ul style="list-style-type: none"> <li>• 1500</li> <li>• 200</li> </ul>	<ul style="list-style-type: none"> <li>• 928</li> <li>• 1,038</li> </ul>	<ul style="list-style-type: none"> <li>• 7500</li> <li>• 1,000</li> </ul>	<ul style="list-style-type: none"> <li>• 12.4%</li> <li>• 103.8%</li> </ul>
Support capital enterprise development for job creation	<ul style="list-style-type: none"> <li>• Place low/moderate income persons in jobs.</li> <li>• For person placed in jobs, help ensure employment for at least 180 days.</li> <li>• Create new jobs through new development.</li> <li>• Improve commercial facades and signage for small business owners.</li> </ul>	<ul style="list-style-type: none"> <li>• 100</li> <li>• 40</li> <li>• 240</li> <li>• 20</li> </ul>	<ul style="list-style-type: none"> <li>• 245</li> <li>• 86</li> <li>• 415</li> <li>• 23</li> </ul>	<ul style="list-style-type: none"> <li>• 500</li> <li>• 200</li> <li>• 1,200</li> <li>• 100</li> </ul>	<ul style="list-style-type: none"> <li>• 49%</li> <li>• 43%</li> <li>• 34.5%</li> <li>• 23%</li> </ul>
Eliminate unsafe buildings and sites	<ul style="list-style-type: none"> <li>• Eliminate unsafe sites that pose a threat to the environment.</li> <li>• Eliminate unsafe structures that pose a threat to public safety.</li> </ul>	<ul style="list-style-type: none"> <li>• 4</li> <li>• 3000</li> </ul>	<ul style="list-style-type: none"> <li>• 11</li> <li>• 4,655</li> </ul>	<ul style="list-style-type: none"> <li>• 20</li> <li>• 15,000</li> </ul>	<ul style="list-style-type: none"> <li>• 55%</li> <li>• 31%</li> </ul>
Combine housing opportunities with social and public services	<ul style="list-style-type: none"> <li>• Fund services connected to permanent housing.</li> <li>• Combine housing development with access to transportation.</li> </ul>	<ul style="list-style-type: none"> <li>• 50% of services tied to permanent housing</li> <li>• 30% of HUD funded housing projects are within a 10 minute walk of public transportation</li> </ul>	<ul style="list-style-type: none"> <li>• 61% of services tied to permanent housing</li> <li>• 100% of HUD funded housing projects are within a 10 minute walk of public transportation</li> </ul>	<ul style="list-style-type: none"> <li>• 50% of services tied to permanent housing</li> <li>• 30% of HUD funded housing will be within a 10 minute walk of public transportation</li> </ul>	<ul style="list-style-type: none"> <li>• 61% of services tied to permanent housing</li> <li>• 100% of HUD funded housing projects are within a 10 minute walk of public transportation</li> </ul>



# Housing Issues

## Public Housing Initiatives

In 2005, the City of Indianapolis provided technical and financial assistance to the Indianapolis Housing Agency (IHA.) The organization was designated as troubled by HUD this same year. The City has begun to work with IHA and will continue these efforts in the future to improve operations and get the troubled designation removed.

The City provided assistance to IHA with HUD required environmental reviews. In 2005, the City conducted environmental releases for 11 public housing projects, including Laurelwood Apartments, Beechwood Gardens, Blackburn Terrace, Hawthorne Place, Rowney Terrace, Twin Hills, Concord/Eagle Creek Villages, John J. Barton Apartments, John J. Barton Annex, Indiana Avenue Apartments and Lugar Tower.

Also, the City invested \$460,000 of 2005 HOME funds in the Brokenburr development. This project was awarded a HOPE VI grant and will create a combination of rental and homeownership opportunities. This project will be completed through multiple phases and will include new construction of 165 mixed-income rental units and 52 single-family homes for low-income homebuyers.

In August of 2005, the City awarded \$276,507 of American Dream Downpayment Initiative (ADDI) funds to IHA to provide down payment assistance to very low-income homebuyers receiving Section 8 assistance. IHA made significant progress with potential homebuyers during the last quarter of 2005. While no loans using ADDI funds closed in 2005, homebuyers were able to work on preparing for homeownership. Four loans closed in the first quarter of 2006 as a result of the work accomplished in 2005. IHA anticipates assisting another 22 homebuyers in the coming year.

## Actions Taken to Affirmatively Further Fair Housing

The City of Indianapolis released the current Analysis of Impediments to Fair Housing Choice (AI) in July of 2004. This document defines fair housing, includes data analyses for Indianapolis, describes citizen input, identifies fair housing impediments and sets forth an action plan to mitigate fair housing impediments. Specifically, it identifies the following impediments to fair housing choice: racial concentration, affordable housing concentration, minorities' access to credit, discrimination and the lack of awareness about fair housing/reporting violations. Each of these impediments is described briefly on the following page.

### Racial Concentration

Minority and low-income populations are most heavily concentrated in Center Township of Marion County. According to census data, white residents are the most evenly dispersed of any racial or ethnic group in Marion County, while African-Americans and Hispanics are the least dispersed.

### Affordable Housing Concentration

Overall, Marion County has a good supply of affordable, owner-occupied and rental housing. However, most of that housing affordable for the very lowest income groups in our community is concentrated within Center Township.

### Minorities' Access to Credit

Home mortgage lending data shows that applicants in areas with moderate and high percentages of minorities experience lower loan acceptance and higher denial rates than areas with few minorities, primarily with home improvement lending.

### Discrimination

Housing and community development professionals who responded to a mail survey for this report estimated that 25 to 30 percent of the city's residents have experienced some form of discrimination. The most common reasons for discrimination include issues regarding race, disability and familial status.

### Lack of Awareness about Fair Housing/Reporting Violations

Housing and community development professionals who responded to a mail survey for this report estimated that 60 to 70 percent of Indianapolis residents are unaware of how to report fair housing violations.

While impediments to fair housing do exist, there is also positive news about the state of fair housing in Indianapolis:

- City and housing authority policies do not contribute to fair housing barriers. In fact, city land use policies are largely favorable toward fair housing issues.
- Marion County has a good supply and distribution of affordable housing, especially for households earning between 50 and 80 percent of the area median family income.
- Housing discrimination based on religious preferences and gender appears to be rare.
- The City of Indianapolis has participated in a variety of initiatives to promote fair housing choice.
- There are two organizations in Indianapolis that are dedicated to mitigating fair housing impediments: the Marion County Center for Housing Opportunities (MCCHO) and the Indiana Civil Rights Commission.

The Analysis of Impediments includes an Action Plan to mitigate identified impediments. The following chart summarizes the action plan component.



GOAL	STRATEGY	BENCHMARK	2005 Accomplishments
Work towards desegregating the racial makeup of the county and deconcentrating affordable housing.	<ul style="list-style-type: none"> <li>The City will actively participate in MCCHO activities.</li> <li>All townships should have at least 15% of their total rental housing stock affordable to households earning 50% of the AMI or less.</li> <li>Ensure that the next large city sponsored affordable owner-occupied development includes minority Realtors.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing 2005-2009.</li> <li>To be achieved by 2009.</li> <li>As projects are implemented.</li> </ul>	<ul style="list-style-type: none"> <li>The City awarded ADDI funding to Section 8 homebuyers.</li> <li>To be achieved by 2009.</li> <li>Martindale on the Monon includes one minority realtor.</li> </ul>
Increase the awareness of fair housing and the complaint process.	<ul style="list-style-type: none"> <li>Establish a central phone number to call where complainants can inquire about fair housing issues and how to file a complaint.</li> <li>Implement a City marketing plan to educate the public about fair housing and how to file</li> </ul>	<ul style="list-style-type: none"> <li>To be achieved by 2007.</li> <li>To be achieved by 2007.</li> </ul>	<ul style="list-style-type: none"> <li>To be achieved by 2007.</li> <li>To be achieved by 2007.</li> </ul>
Work with MIBOR to implement training programs to increase awareness of fair housing issues among real estate professionals.	<ul style="list-style-type: none"> <li>Contribute articles to MIBOR publications on the basis of fair housing issues and the process of making fair housing complaints in Marion County.</li> <li>Work with MIBOR to develop a flyer on fair housing issues that will be distributed by Realtors to their clients.</li> </ul>	<ul style="list-style-type: none"> <li>Semi-annually, beginning 2006.</li> <li>Flyer developed in 2006.</li> </ul>	<ul style="list-style-type: none"> <li>Submitted two articles to MIBOR newsletters in 2005.</li> <li>Flyer was developed in 2005 (see appendix H)</li> </ul>
Establish or support an existing homeownership counseling/education program.	<ul style="list-style-type: none"> <li>Work with INHP to expand their current program or establish a new program as described in the AI.</li> </ul>	<ul style="list-style-type: none"> <li>New program offered in 2006.</li> </ul>	<ul style="list-style-type: none"> <li>New program offered in 2006.</li> </ul>
Continue the regional transportation planning process.	<ul style="list-style-type: none"> <li>Ensure that regional transportation planning continues to move forward.</li> </ul>	<ul style="list-style-type: none"> <li>2005-2007</li> </ul>	<ul style="list-style-type: none"> <li>2005-2007</li> </ul>

## Actions Taken to Eliminate Barriers to Affordable Housing

The *2005 Action Plan* identified three barriers to affordable housing in Indianapolis: 1) high costs associated with the development of affordable housing; 2) decreased availability of affordable housing units; and 3) poor credit history. The City invested federal funds to address each of these issues in 2005.

Approximately \$2.6 million in HOME funds were invested by the City to create 368 units of affordable rental housing for people at or below 80 percent of the area median family income (AMI) in 2005. Projects that received funding included Amber Woods, BR Indy (Phase II), Crooked Creek, Parkwoods I & II, Gladstone and Rink Savoy.

Another important undertaking, designed to increase the availability of affordable housing for the lowest income citizens of Indianapolis, is the *Blueprint to End Homelessness*. A ten-year strategy for how homelessness in our community can be both prevented and eliminated, the *Blueprint's* recommendations not only draw upon the national research of effective programs and best practices, but also reflects local concerns. Mayor Peterson has endorsed the *Blueprint* and made it one of his administration's top priorities. The plan has received broad community support and been lauded as a model by national experts. Its development marks a milestone in our community's efforts to address this serious and persistent social condition.

Part of the *Blueprint* initiative was the 2004 start of a five-year project in conjunction with the Indianapolis Private Industry Council (IPIC.) Indianapolis was selected as one of five cities to receive funding under a program developed by the U.S. Department of Labor and the U.S. Department of Housing and Urban Development to fight homelessness. As a result, the City has created 42 units of supportive housing for those most difficult to house, the dually diagnosed chronically homeless. It is expected that this pilot program can serve as a model for Indianapolis to expand its efforts in providing this type of housing with the help of mainstream landlords and rent assistance.

Additionally, the following developments received funding to create supportive housing units for those most difficult to house during 2005. Those awards were as follows:

- Barton (Salvation Army) received funding through the *Continuum of Care* to provide housing for homeless families. All units have 2 or 3 bedrooms, which allows them to accommodate larger families;
- Homeless Initiative Program received funding through the *Continuum of Care* and CDBG for 16 units of housing for single homeless persons; and
- Partners in Housing received HOME funds for a 51-unit, transitional housing development, Gladstone. Of these, 38 units are HOME-assisted. The

Gladstone is located just east of downtown, next to another transitional housing development owned by Partners in Housing. It is anticipated that leasing will begin in spring 2006.

Access to credit remains a barrier to affordable housing for many families in Indianapolis. In 2005, the City awarded \$42,750 of CDBG funds to support the Family Service of Central Indiana in their efforts to provide greatly needed credit counseling to low-income citizens plagued by poor credit history. As a result, the organization was able to provide credit counseling to 170 low-income persons.

As noted above, the goals of the current Analysis of Impediments to Fair Housing Choice (AI) are to be achieved over a five-year period, 2005-2009. The following actions were taken by the City in 2005 to address fair housing issues:

- Staffed booths at the Indianapolis Neighborhood Housing Partnership Home Fair, Indiana Black Expo and the Statewide Housing & Community Economic Development Conference.
- Granted \$498,750 to the Indianapolis Neighborhood Housing Partnership and \$276,507 to the Indianapolis Housing Agency for direct homebuyer subsidies to first-time homebuyers.
- Assisted 109 families receive assistance when purchasing a home in Marion County.
- Contributed articles to MIBOR, which was included in their newsletter to realtors.
- Developed a "Fair Housing" brochure for realtors to share with potential homebuyers.

The City of Indianapolis recognizes the importance of fair housing choice and will work diligently to implement the goals identified in the action plan of the Analysis of Impediments to Fair Housing.



# Special Needs

## Continuum of Care

The *Continuum of Care* (CoC) plan is a coordinated approach towards addressing the physical, economic and social needs of the homeless population through the provisions of emergency shelter, transitional housing, permanent housing and supportive services. The development of this plan warrants a thorough examination of community needs and the services available to meet them.

The City was awarded \$4.1 million in CoC funding for 2005. These dollars were used to assist a total of 14 projects which provided operations cost for service providers as well as transitional housing, permanent housing and supportive services for homeless families and individuals in Marion County. Most of the individuals served through the *Continuum of Care* are a part of the dually diagnosed homeless population and are otherwise unable to receive assistance. Additionally, two new permanent supportive housing projects were awarded funding in the 2005 CoC application and some 29 individuals and families will be assisted with leasing funds through the Shelter Plus Care grant. These new projects will undoubtedly help the city move one step closer to reaching the goals outlined in the *Blueprint to End Homelessness*.

## Blueprint to End Homelessness

A new aspect in the City's efforts to implement the *Blueprint to End Homelessness* in 2005 was the HUD/DOL collaborative grant. The City was awarded a grant from the U.S. Department of Housing and Urban Development (HUD) and the Department of Labor (DOL) to address homelessness related issues. The City's partner in this program, the Indianapolis Private industry Council (IPIC,) will provide employment services for participants using the DOL portion of the project. Wrap-around support is offered by the Homeless Initiative Program to provide further supportive services for participants.

The HUD funding utilized by the City comes in the form of Shelter Plus Care dollars, which was used to provide rent subsidies to individuals who were formerly homeless.

## **Housing for Persons with AIDS**

To serve the housing and housing related needs of persons with HIV/AIDS and their families, the City received \$758,000 in Housing Opportunities for Persons With AIDS (HOPWA) funds in 2005. The primary project sponsor for City HOPWA funds in 2005 was the Damien Center, which coordinated services and activities for persons not only in Marion County, but eight contiguous central Indiana counties as well. In an effort to broaden the effectiveness of the City's HOPWA funds and better reach under-served populations, the City also provided funding to Concord Center and Bethlehem House.

### **The Damien Center**

The Damien Center provided emergency assistance, housing information, project based rental assistance, resource identification, supportive services, technical assistance and tenant based rental assistance to 564 HIV/AIDS clients and their families. During 2005, the Damien Center's Housing Assistance Program continued to adapt to meet the ever-changing needs of their clients. The organization has also seen an increase in the number of clients who reside outside of Marion County. While the City may not have any projects located outside of Marion County, the Damien Center serves clients in the outlying counties of the Indianapolis MSA.

### **Other HOPWA programs**

Concord Community Center received \$126,000 in HOPWA funds for short-term rental assistance. This is the fourth year that Concord has received HOPWA funds and they are proving to be a strong asset to the City's program. Concord was able to provide 115 individuals with rent, mortgage and/or utility assistance in 2005.

Bethlehem House received HOPWA funding for the first time in 2005. The organization provides HIV/AIDS positive individuals with substance abuse treatment, bus tickets and/or short-term assistance funds. Services to 39 individuals were provided through Bethlehem House with \$16,200 in HOPWA funding.

## **Barriers**

In the City's efforts to provide assistance to families and individuals effected by HIV/AIDS, affordable, accessible and safe housing options for clients is still a major concern, as is maintaining the independence of those who have already established a household.

The demand for short-term assistance was much greater than the supply of available funds in 2005. Providers indicated that they utilized the short-term assistance much sooner than in previous years. One reason for the increased need for assistance exhibited in all of the City's grants could be attributed to the nation's current economic status overall.

Because of the City's efforts to recruit more HOPWA providers, an increased variety of housing options is now being offered. Tenant based rental assistance was provided to 216 HIV/AIDS positive clients in 2005. As a result, numerous individuals have had the opportunity to transition and adapt to the changes of income expenditures and medical stability that is often encountered with a positive diagnosis.

Individuals who are HIV positive or frequently at-risk face many barriers to a healthy lifestyle. Daily living skills seminars, which emphasize managing stress, proper health care, basic housekeeping, budgeting and employment, are offered at The Damien Center. Outreach programs also offer a continuum of related services that address these issues by providing community education, assisting in the identification of HIV status, and identifying resources to deal with a HIV positive status. For instance, the Bridging the Gap program assists individuals by providing HIV testing, HIV/AIDS information referral treatment and assessments for at-risk individuals.

With a more diversified network of providers receiving HOPWA funds, a larger number of HIV/AIDS positive clients were served in 2005. As a result, more individuals were able to receive housing or stay in their own homes, much needed counseling services were provided and greater outreach to the Hispanic population was achieved.

### **Administrative Oversight**

Through its consolidated planning process, the City continues to use a Request For Proposals (RFP) to solicit applicants to receive HOPWA funding. The development of collaborative partnerships as well as identification of additional housing options and support services remains a high priority in this process.

The Human Services Team, consisting of the Grant Manager and the Grant Analyst, share in the responsibility of overseeing HOPWA programs. On a daily basis they discuss projects and address any arising concerns. All HOPWA programs are monitored once a year to ensure the Federal and City regulations are being followed. The Grant Manager and Analyst conduct monitoring visits and review quarterly reports submitted by project sponsors during this process. If a project sponsor is struggling or needs any type of technical assistance, a member of the team will provide support. The Grant Analyst monitors spending patterns to ensure that project sponsors are spending their money at a rate that will allow them enough funds to last the entire grant year. Training is held each year to help project sponsors better understand their contractual obligations and responsibilities in regards to the administration of grant funds.

## Emergency Shelter Grant (ESG)

The Emergency Shelter Grant program supports the goal of family self-sufficiency identified in the *Consolidated Plan* under the “Support Special Housing Needs” objective. The City was awarded \$415,000 of Emergency Shelter Grant (ESG) funds in 2005, approximately 5 percent of which was maintained for administration. The remaining funds were distributed to shelters and service providers to assist in shelter operations, homelessness prevention services and a myriad of other essential services. The following are just some of the organizations that were funded by ESG and the services they provided to Indianapolis area residents in 2005.

The Salvation Army Social Service assisted victims of domestic violence and families experiencing homelessness while Quest for Excellence’s WINGS program and the Julian Center served homeless women and children escaping situations of domestic violence. The Gennesaret Free Clinic was able to provide respite care to homeless men recovering from severe illness following release from a hospital or institution. The Holy Family Shelter and Dayspring Shelter are two of the few Indianapolis shelters that provide shelter to large families. Holy Family also accepts homeless couples without children, unlike most local shelters. Through ESG, both were able to receive operations costs. The John H. Boner Center provided 23 individuals with rent and/or utility assistance and Metro Transit provided bus tickets to shelters and missions to enable the homeless to seek employment, housing and other resources that would otherwise be unavailable to them.



# Institutional Structure and Coordination

During the fiscal year 2004, the City of Indianapolis wrote its *2005-2009 Consolidated Plan*. With help from other City divisions, including the Division of Planning, this Plan was developed in-house. A consolidation of all neighborhood, transportation, long range, comprehensive and redevelopment plans, the *Analysis of Impediments to Fair Housing* and Mayoral initiatives such as the *Blueprint to End Homelessness* and the Abandon Homes Project, this document can be used as a one stop resource for City goals. With the many divisions of the Department of Metropolitan Development and the City as a whole working together, the new Consolidated Plan can serve as a unified vision for the future of Indianapolis.

During 2005, staff changes within the Department of Metropolitan Development made way for a reorganization effort to improve the coordination and implementation of services to the public. Out of this reorganization came an Administrator of Community Economic Development and three Assistant Administrators, (1) Community Resources, (2) Community Development, and (3) Economic Development.

The newly added Assistant Administrator positions will allow for a better coordination of services and serve as a clear distinction between the sections of the division for the public. The following is a brief overview of the responsibilities within these three sections:

- Community Resources - management of City federal entitlement allocations and other grant programs.
- Community Development - housing and neighborhood development programs, including abandoned housing, new projects that use the Fall Creek Place model, and commercial revitalization programs.
- Economic Development - review tax abatement requests, incentive districts, and Brownfield development.

## Application Requirements

The application for 2005 funding required that all recipients establish outcomes that measure the impact of their program on both their service area and a goal of the *2005-2009 Consolidated Plan*. A grant workshop was held by City staff to explain the need for performance-based outcomes and how to write them to match a given program/project. Evaluation criteria was based on a 100 point scale and the development of performance-based outcomes was worth 30 points out of the total. Projects not meeting the requirements of the application were not recommended for funding in the 2005 year. Several one-on-one meetings were held with grant applicants to explain performance-based outcomes and how to develop them in an



effort to better prepare project sponsors and grant applicants for future funding rounds.

In addition to the performance-based outcomes and goals, the *2005-2009 Consolidated Plan* outlines the actions to be taken to eliminate impediments to fair housing. One recommendation of the Analysis of Impediments to Fair Housing (AI) is to continue the regional transportation process. The *Consolidated Plan* has a goal that combines housing opportunities with public and social services. As part of this goal, the City has committed that 30 percent of all development projects that receive HUD funding each year will be within a 10-minute walk of public transportation. Grant applications for 2005 were evaluated for this goal, especially since transportation was named as the number one non-housing development need in Marion County through the citizen input process in the spring of 2004. All projects completed in 2005 were within a 10-minute walk of public transportation.

## **Monitoring**

The City performs annual monitoring of all organizations that receive federal funding (CDBG, HOME, ESG and HOPWA.) Annual monitoring is conducted to allow the Division of Community Resource staff the opportunity to become better acquainted with programs through interviewing the organization's Executive Director and interacting with program staff. Project sponsors are monitored to confirm that their particular program or project is operating within the guidelines of its contractual agreement with the City. This agreement instructs that the program meets production goals, complies with all federal grant regulations regarding implementation for and administration of the program, uses funds in a timely manner and engages in eligible activities.

Additionally, according to HOME regulation, it is required that HOME funded rental developments remain in compliance with tenant income and property standards. In 2005, 41 developments with 988 HOME-assisted units submitted a HOME annual re-certification package. Of these, 24 HOME-funded developments underwent tenant file monitoring and the rental re-certification processes. In order to complete a physical inspection of the properties, the City contracted with an outside firm. During 2005, Criterium VanMarter Engineering was able to inspect 29 HOME-funded developments.

## **Enhancing Coordination**

City staff has worked hard to coordinate monitoring visits for project sponsors who receive grants from multiple funding sources. By working together, the City has minimized the intrusiveness of monitoring visits and has been able to save the time of both the project sponsor and City staff.

As mentioned previously, the *Consolidated Plan* calls for combining human and social services with permanent housing. The City has partnered with the Indianapolis Private Industry Council (IPIC) to provide employment training to 42 chronically homeless individuals. As part of a joint venture between the Department of Housing and Urban Development (HUD) and the Department of Labor (DOL), the City is procuring for housing for the chronically homeless. The goal of the five-year program, of which the City is in its first year, is to help clients achieve self-sufficiency. Through housing counseling provided by the Homeless Initiative Program, employment training and the provision of permanent housing, clients will gradually gain independence and learn to live in a mixed income environment again. In 2005, an allocation of CDBG funds was made to the Homeless Initiative Program to hire a Housing Coordinator. In the past, this organization's focus was on the service aspect, but the realization is that in order to provide successful case management, a tie-in to housing opportunities must exist.

### **Community Development Forum**

In summer 2005, the City hired a consultant to facilitate a forum between City staff and representatives from partner organizations with the focus of making Indianapolis the place it should be. The first exercise was a role reversal demonstration that put the participants in a role opposite their current role (non-city participants were city employees and city employees were non-city employees.) The "City Employees" were then given four grant proposals to review and recommend how the funding should be distributed. The original funding available to disperse was \$1 million with the following parameters: less 20 percent for administration costs; no more than 15 percent for social services; and the remainder for construction activities. After the "City-Employees" were nearly finished with their reviews, news came that instead of \$1 million the budget had been cut to \$750,000. The goal of this exercise was to show these partners the complications that occur at the City level during the funding recommendation process. In addition to determining which organizations to fund, the City must also balance the amount of money allocated to the various activities based on parameters established by each of our funding sources.

The group then came up with eleven areas that it felt could make Indianapolis a world class city. The groups were then further divided into subgroups to prioritize these areas. Subgroups were instructed to focus on the top three issues. From here, focus groups were established to work on realizing these prospects. The three top opportunities were identified in this forum: (1) Coordinating and Specialization; (2) Unsafe Buildings & Abandoned Housing; and (3) Marketing Efforts. Currently, the city has established working groups to ensure that these opportunities are expanded upon.



# Lead Based Paint Hazard

The City's Lead Hazard Reduction Grant ended in January of 2006. This grant was awarded through the Office of Healthy Homes and Lead Hazard Control in 2003. To manage the process, the City formed a partnership with the Marion County Health Department (MCHD) and its office of Childhood Lead Poisoning Prevention.

It was determined that the majority of the lead poisonings in Marion County children come from problems related to rental housing. As such, the focus shifted to working on large, multi-family housing units in low-income areas. Working through Community Action of Greater Indianapolis' (CAGI) weatherization program, and local community development corporations, the City and the MCHD were able to aggressively address the problems of lead hazards in low-income housing.

The City, with the help of its partners, cleared 243 units of affordable housing of lead hazards in 2005. For the life of the grant, the City expects to clear over 350 units of lead hazards.

In 2006, the grant holder for this work will be changing. The Marion County Health Department will now be the sponsor of the program with the City acting as its partner. It is believed that this shift will make the process more effective, as MCHD has programs and other grant dollars already in place to perform this work. Beginning in 2006, MCHD will receive approximately \$3 million in Lead Hazard Control Grant funds for the next three years. It is expected that this will continue prior efforts and protect thousands of Indianapolis children from lead based paint hazards associated with housing. The focus will continue to be low-income rental housing, which produces the most cases of childhood lead poisoning in Indianapolis and single family units where lead-poisonings have previously occurred.



# Leveraging Resources

In fiscal year 2005, the City of Indianapolis partnered with numerous community organizations to fund affordable housing, homelessness prevention efforts and supportive service projects. As a funding agency, the City tries to fill funding “gaps” in the projects of applicants rather than provide the majority of financial support. This policy has allowed the City to maximize the amount of housing and services provided through grant dollars received from the U.S. Department of Housing and Urban Development (HUD).

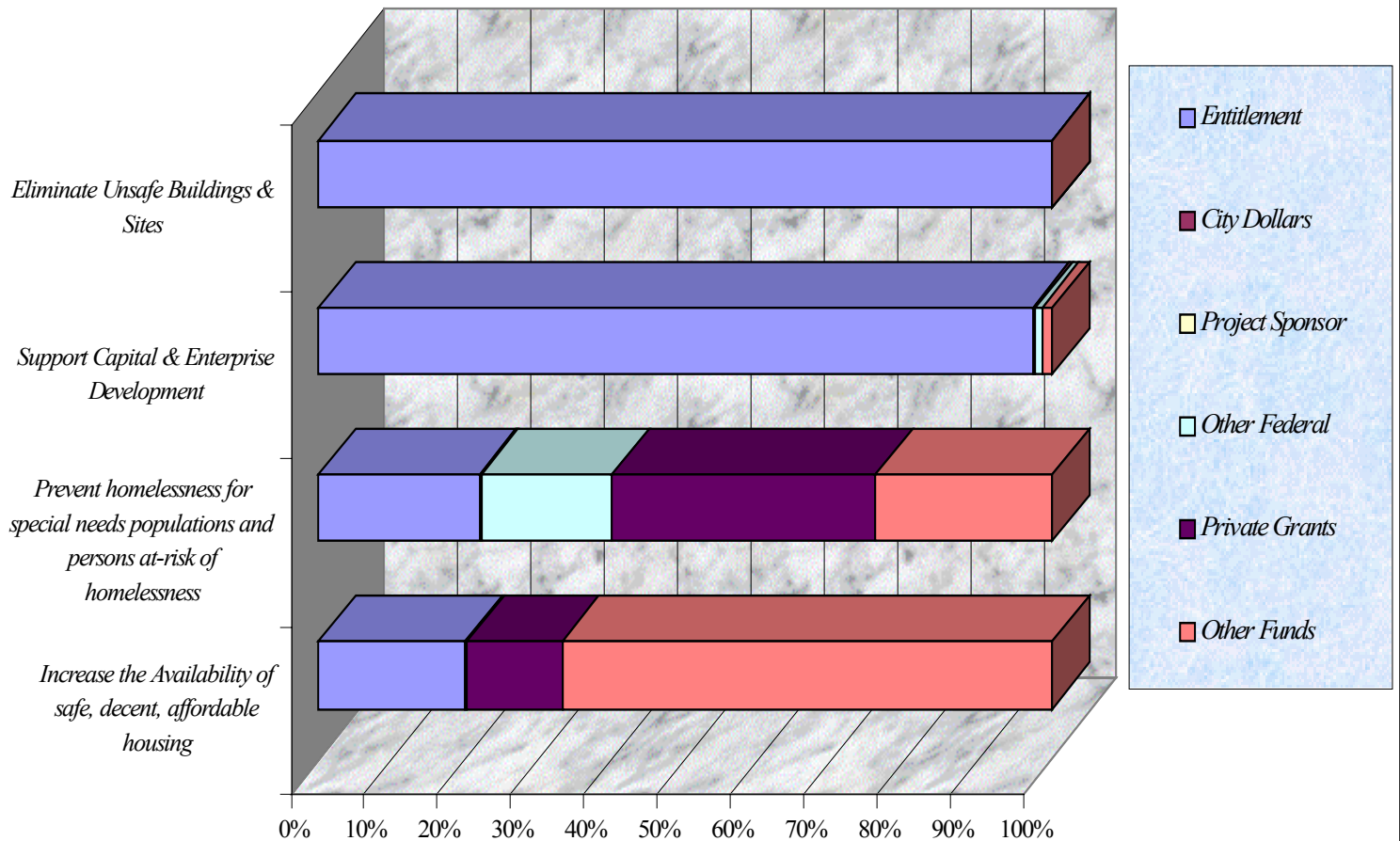
Red Maple Grove, currently under construction in Phase 2B, received 2005 HOME dollars as well as Low Income Housing Tax Credits (LIHTC) through the Indiana Housing Finance Authority. Red Maple Grove, in Phase 2B, will create eight units of housing for families below 30 percent area median income (AMI), 47 units for families between 30 – 50 percent AMI and ten market rate units.

The United Way of Central Indiana administers Federal Emergency Management Agency (FEMA) funds from the federal government. These dollars along with those from the State of Indiana Emergency Shelter are leveraged against the City’s Emergency Shelter Grant (ESG) to provide meals, other food needs, rent or mortgage assistance and utility payment assistance to emergency housing organizations. By blending funding, homeless service providers are better able to meet the needs of their clients while also offering a variety of essential services.

The City also matches Community Development Block Grant (CDBG) dollars with community partners to enrich the lives of young people. Programs sponsored by organizations like the Indianapolis Foundation, the Lilly Endowment, the Annie E. Casey Fund, the Clowes Fund, the Chrystal DeHann Fund and the Nina Mason Pullium Charitable Trust, provide summer activities to youth up to age 18 that includes employment training and educational programs.

While these partnerships are significant, the City’s fiscal partners include more than those mentioned above. Many project sponsors utilize funds from other organizations, including their own. The chart on the following page shows the amount of funding from other sources used in collaboration with City grants to realize the goals named in the *2005-2009 Consolidated Plan*.

# 2005 Leveraging Sources





# Special Urban Initiatives

## Fostering Commercial Urban Strategies

Fostering Commercial Urban Strategies (FOCUS) is an innovative partnership among the Local Initiatives Support Corporation (LISC), the Indianapolis Chamber of Commerce, the Indianapolis Coalition for Neighborhood Development (ICND) and the City of Indianapolis. The mission of the program is to jumpstart commercial revitalization in declining core urban neighborhoods. With the combination of leaders from all facets of development, lending and public agencies, the overarching goal of the program is to change the systemic approach to commercial development in these neighborhoods. FOCUS will work towards five main goals, targeting two neighborhoods as a pilot program.

### **Goal 1: Develop new ways to market urban areas.**

The FOCUS program helped to fund the Indy Site Finder website, a helpful tool created by LISC and the City of Indianapolis to promote urban sites for development. Indysitefinder.com has proved to be an important technological tool that allows neighborhood-based organizations, property owners and brokers an opportunity to list commercial sites for sale and lease and provides a resource for the latest demographic and market data. With this information, neighborhoods can get an accurate portrayal of their community's opportunities and help them to target new businesses for recruitment. The site gives them a low-cost, easy-to-use method that was previously available on a fee basis or through extensive research. This data can be helpful for neighborhoods in the promotion of market opportunities for specific types of retail development.

One of the FOCUS corridors, 16th Street, combined the input of area business owners and residents to create a design plan for a site occupied by a grocery store. The design plan offered the store and potential developers a visual redevelopment plan for the site that integrated a new and larger store with historical design elements of the neighborhood. The plan will guide redevelopment strategies as the store and the neighborhood work together in the future.

### **Goal 2: Increase active commercial development and investment in core neighborhoods.**

In 2005, FOCUS program commercial corridor staff was actively engaged in bringing new partners and funding to urban neighborhoods. They stimulated new real estate development and small business investment. As an example, the Façade Improvement Program invested \$327,000 to improve 20 new commercial facades. These facades were strategically selected based on their ability to impact the surrounding properties and the commercial corridor. Property owners were also assisted with free design assistance from a local architecture firm, ensuring higher

quality designs and more effective funding allocations. The program leveraged over \$140,000 from private sources, including matching contributions from businesses.

### **Goal 3: Further develop neighborhood expertise and capacity.**

The FOCUS program provided funding for five staff persons, employed by neighborhood-based organizations, to work exclusively on the revitalization of urban corridors. These individuals were guided by corridor workplans completed after months of public meetings to solicit the input of residents and business owners. The plans provided direction for the staff concerning small business support, real estate development, façade improvements, greenspace creation and infrastructure improvements to be completed along the corridors. Staff attended training sessions and used technical assistance grants to recruit other real estate and small business support experts to build their own capacity and that of the neighborhood. The staff meets regularly with residents and business owners who have an interest in the commercial corridor to gain their feedback and also recruit their participation in redevelopment plans, clean up events and promotional events. In 2005 staff helped to create 52 new jobs, assisted over 300 businesses, created 12 new greenspaces, facilitated over 130 promotional events and improved hundreds of thousands of square feet in space.

### **Goal 4: Work to alleviate existing barriers.**

The FOCUS program created economic development and commercial revitalization tools to help neighborhoods remove traditional barriers to development and support small businesses. Among these tools were the Small Business Loan Fund, the Brownfield Redevelopment Fund and the Strategic Acquisitions Fund. The Small Business Loan Fund provides financing to businesses that cannot find financing from traditional sources. It also gives businesses technical assistance to help them with writing business plans, accounting, marketing, human resources and other issues. The Brownfield Fund provided neighborhood-based organizations with over \$50,000 in grants to remediate contaminated sites. Sites were selected based on their readiness for new development and will result in improved space for businesses. The Strategic Acquisitions Fund will provide community development corporations (CDCs) and others with speculative funding for strategically located sites. The FOCUS program also created the Technical Assistance program, which helped to connect nonprofit and for-profit developers to build knowledge, engage new partners, and stimulate new projects. In 2005, the TA program awarded \$83,000 in grants for new projects that will ultimately result in the creation of new real estate development projects.



## **Goal 5: Build Stability and working models.**

Corridor staff created working committees on each corridor, whose roles ranged from identifying new development plans for a specific intersection to creating new ideas and corresponding events to promote the corridor. Committees involved residents who lived near the corridor and business owners on the corridor in their plans for redevelopment and future funding of the corridor's revitalization. They began exploring the creation of Economic Improvement Districts (EIDs), which could provide a permanent funding source for the corridor's redevelopment program. The EID designation will allow revenue created by increases in property taxes to be invested for corridor streetscape improvements, landscaping, or staffing needs. This could become a permanent funding source for some of the corridor program's future and existing needs.

### **Vacant and Abandoned Homes**

Abandoned homes are defined by the Mayor's Vacant Home Initiative as "a chronically vacant home whose owner has not taken the necessary steps to bring the home on the market or a home whose owner has neglected minimum financial, functional and physical upkeep." These homes can be temporarily unoccupied as a result of normal turnover or have been empty for an extended period of time. As part of this initiative, a survey of vacant and abandoned homes in Indianapolis was taken during the summer of 2003.

The survey identified 7,913 vacant residential structures in Marion County consisting of approximately 9,013 vacant units. Of all vacant and boarded buildings found, 88.9 percent are located in areas served by community development corporations. Most of the buildings found were determined to be in fair or average condition.

In 2005, the City invested Community Development Block Grant funds in the Unsafe Building Program to secure, demolish and repair vacant abandoned homes. The City also received a technical assistance grant from the National Vacant Properties Campaign. In doing so, national experts were brought to Indianapolis to review and research existing programs, ordinances and laws related to vacant properties. As a result, the City proposed new State legislation to improve the efficiency of addressing vacant properties.

### **Neighborhood Revitalization Strategy Area**

The City of Indianapolis, with HUD's approval, formed a Neighborhood Revitalization Strategy Area (NRSA) in 1996. That area was expanded in 1999 (see map 11 in Appendix F). The purpose of this designation is to marshal resources to



facilitate the City's ability to engage in comprehensive community revitalization. The table below shows the 2005 goals and benchmarks achieved within the NRSA.

GOAL	STRATEGY	2005 ACTUAL
Increase the availability of safe, decent, affordable housing	<ul style="list-style-type: none"> <li>• Rehab substandard units to create rental housing for persons at 0-30% MFI.</li> <li>• Rehab substandard units to create rental housing for persons at 31-80% MFI.</li> <li>• Rehabilitate substandard units to create homeownership opportunities.</li> <li>• Increase homeownership opportunities for low/mod income persons through down payment assistance.</li> <li>• Assist homeowners with repairs to residences.</li> </ul>	<ul style="list-style-type: none"> <li>• 343</li> <li>• 94</li> <li>• 15</li> <li>• 73</li> <li>• 309</li> </ul>
Support capital enterprise development for job creation	<ul style="list-style-type: none"> <li>• Create new jobs through new development.</li> <li>• Improve commercial facades and signage for small business owners.</li> </ul>	<ul style="list-style-type: none"> <li>• 50</li> <li>• 23</li> </ul>
Eliminate unsafe buildings and sites	<ul style="list-style-type: none"> <li>• Eliminate unsafe sites that pose a threat to the environment.</li> <li>• Eliminate unsafe structures that pose a threat to public safety.</li> </ul>	<ul style="list-style-type: none"> <li>• 8</li> <li>• 1,372</li> </ul>



# Community Development Block Grant

The City of Indianapolis' *Consolidated Plan* identifies two specific areas for directing the course of CDBG activities: housing and community development. Within these two areas, five goals were established in the *2005-2009 Consolidated Plan*.

## *Increase Availability of Safe, Decent, Affordable Housing.*

The first goal of the *2005-2009 Consolidated Plan* is to promote safe, decent, affordable housing for families earning less than 80 percent MFI. To achieve this goal, four specific strategies were funded with CDBG dollars:

Strategy	2005 Goal	2005 Achieved
Rehabilitate substandard units to create rental housing for persons at 0-30% MFI.	48	35
Rehabilitate substandard units to create rental housing for persons at 31-80% MFI.	5	15
Increase homeownership opportunities for low-moderate income persons through down-payment assistance.	8	12
Assist homeowners with repairs to residences.	200	309
Total Units	261	363

Again in 2005, West Indianapolis Community Development Corporation partnered with Group Works Foundation to provide repairs to rental housing for people at 31 – 80 percent MFI. A total of 15 homes received minor repairs, such as painting, carpentry and plumbing work. CDBG paid for half of the supply cost and for contractors to follow lead-safe work practices in issues concerning lead-based paint hazards.

The City initially awarded two CDBG grants in 2005 for the repair of rental housing for people at 0 – 31 percent MFI. The John H. Boner Community Center expanded its facility by 24 rental units and Pathway to Recovery amended its contract, going from rental housing renovation to acquiring an 11 unit building to provide rental housing for those at the 0 – 31 percent MFI income level.

As part of its efforts to increase homeownership opportunities for low-moderate-income (LMI) persons, the City assisted 12 homebuyers with CDBG down payment assistance in the Martindale on the Monon project. Designed after the successful Fall Creek Place development, this project combines CDBG and HOME funding to

stabilize and improve neighborhoods through increased homeownership opportunities in an area effected by long term economic disinvestment. The leading entities on Martindale on the Monon are Martindale Brightwood CDC and Development Concepts, Inc. Other partners include the City of Indianapolis, Citizens Coke and Utility, Indiana Housing and Community Development Authority, Keep Indianapolis Beautiful and National City Bank.

A major component of building stronger neighborhoods and preserving homeownership is the repair and maintenance of homes in economically challenged neighborhoods. In 2005, ten community development corporations utilized CDBG funding to repair 309 owner-occupied units, 109 more than the projected goal of 200.

### *Prevent Homelessness*

The second goal of the *2005-2009 Consolidated Plan* is to minimize the number of people who experience homelessness in Indianapolis. On average, 3,500 people are without basic shelter in Indianapolis on any given day.

ESG and HOWPA funds are utilized to: 1) provide emergency rent and utility assistance to persons with special needs and at risk of homelessness; 2) provide supportive services to persons at risk of homelessness or 3) assist special needs populations in working towards self-sufficiency. However, in many cases, those seeking aid require more than just a single payment. The City utilizes CDBG funding to provide supportive services to those at risk of homelessness and to special needs populations to improve their self-sufficiency. In 2005, 22 CDBG grant recipients provided such services to 2,776.

### *Increase Educational Opportunities*

Youth services and job training and placement were two top priorities identified through citizen input and the consultation process.

Strategy	2005 Goal	2005 Achieved
Increase educational opportunities for youth.	1500	928
Provide job training to low-moderate income persons	200	1,038

Indianapolis allocated \$100,000 to provide educational opportunities to at-risk youth during the summer months through the Summer Youth Program Fund, a unified funding partnership between the City and 11 other philanthropic organizations in Indianapolis. The CDBG-funded youth programs reached 835 children in 2005. Another CDBG program, School on Wheels, specifically provides educational opportunities to 93 children in homeless shelters.

In addition, the City spent \$670,767 of CDBG funds for projects that provided job training and placement for low-moderate income individuals. Six project sponsors were able to provide 1,038 persons with job training and job placement assistance.

### *Support Capital Enterprise Development for Job Creation*

Without a flourishing economy to sustain them, neighborhoods cannot be built, nor can families become self-sufficient. It is equally true that jobs cannot be simply minimum wage, as the pay rate does not promote self-sufficiency. On the same token, businesses cannot grow if families are only barely making enough money to cover essential expenses.. To successfully promote both, CDBG funds were used to improve commercial facades, provide facility renovations and facilitate job creation as four parts of an overall strategy for capital enterprise development.

<b>Strategy</b>	<b>2005 Goal</b>	<b>2005 Achieved</b>
Place low-moderate income persons in jobs.	100	245
For those placed in jobs, help ensure employment for at least 180 days.	40	86
Create new jobs through new development.	240	0
Improve commercial facades and signage for small business owners.	20	23

In total, 23 businesses received funding to improve their commercial facades through the Local Initiatives Support Corporation.

Unfortunately, the project sponsor that was to create new jobs, Cherokee Henry LCC, has not met their 2005 goals. Initially, Cherokee Henry intended to create 240 new jobs through the renovation of an industrial building; however, it was determined that the building selected may not be well suited for reuse. Exercising fiscal responsibility, Cherokee Henry decided to amend their grant and re-evaluate their options. They are currently in the process of determining the feasibility of renovating the current building verses demolition, predevelopment and site preparation. As of now, the project has been extended through September 2006 and Cherokee Henry has until June 2006 to make a final decision.

Seven grants were also awarded for employment services, with the goal of placing low-moderate income (LMI) individuals in jobs and helping them to maintain those positions with 180-day retention benchmark. Through their efforts, 246 LMI persons were placed with jobs and successfully retained their job for over 180-days - both totals more than double the goals for 2005.

### *Eliminate Unsafe Buildings and Sites*

The City of Indianapolis invested exactly \$1,307,170.58 in CDBG funds to address unsafe buildings in 2005. As a result, the City was able to board 2,661 vacant and unsafe structures and demolish 133. As part of the program, non-compliant property owners were required to board 576 structures, demolish 281 and repair 1004. By working in cooperation with the Marion County Health and Hospital Corporation and property owners, the City was able to address 4,655 buildings.

Continuing a policy started in 2004, the City included the cost of demolitions and the boarding of buildings on property tax assessments in an effort to increase the number of owners who pay for the cost of such activities. Given the success of the past two years, the City will continue with this policy in an on-going effort to make the Unsafe Buildings Program self-sustaining.

The Indianapolis' Brownfields Redevelopment Program, which has identified over 120 properties in need of cleanup and redevelopment in Center Township alone, is another vehicle the City is using to eliminate unsafe sites and structures. The areas targeted in this effort are former industrial or commercial sites where perceived or real contamination is prohibiting redevelopment. The program plans to utilize CDBG funds to clean up and assess a minimum of four sites per year over the next five years. These efforts contribute to the elimination of unsafe building conditions as well as environmental hazards. The Brownfields program used CDBG funds to aid eleven projects encompassing 22 individual parcels of land in 2005.

## Relationship of CDBG funds to the Annual Action Plan

Each year the City must submit an Action Plan to HUD that details the efforts to be undertaken that year to address the goals of the Consolidated Plan. Throughout the year, a number of changes were made to the anticipated CDBG allocations outlined in the Action Plan. Additional dollars available from prior year carry over or projects that did not move forward were reallocated to other projects that requested funding. The chart below illustrates these changes made and offers an explanation for those adjustments.

**Revised 2005 CDBG Activities**

Organization	Project	Original Budget	Revised Budget	Change	Explanation
BOS Community Development Corporation	Preserve Homeownership	\$292,500	\$642,500	\$350,000	Awarded 12 additional home repair units.
Cherokee Henry, LLC	Create new jobs	\$130,000	\$224,886	\$94,886	Expanded renovation plan of industrial building. Project currently under re-assessment.
Community Action of Greater Indianapolis	Preserve Homeownership	\$318,750	\$468,750	\$150,000	Awarded 12 additional home repair units.
Martindale Brightwood Community Development Corporation	Increase Homeownership	\$0	\$191,200	\$191,200	Provide down payment assistance to first time homebuyers in the Martindale on the Monon project.
Pathway to Recovery	Rental Rehabilitation (0-30% MFI)	\$621,000	\$220,000	\$401,000	Project revised from a 24-unit rehabilitation to 11- unit acquisition.
United Northwest Area Development Corporation	Preserve Homeownership	\$281,250	\$481,250	\$200,000	Awarded 12 additional units.
Volunteers of America	Provide case management and wrap around services to female ex-offenders	\$34,200	\$29,314	\$4,886	Reduced scope of project from 140 unduplicated women to 120.



# Home Investment Partnerships Program

The *2005-2009 Consolidated Plan* identified three housing priorities for the City of Indianapolis: 1) Preservation of Homeownership; 2) Increased Affordable Homeownership; and 3) Increased Supply of Affordable Rental Housing. In 2005, HOME funds were used to increase homeownership opportunities by providing closing costs and down payment assistance throughout Marion County. Increased homeownership was accomplished through the new construction and the rehabilitation of existing affordable housing. Lastly, HOME funds were utilized to increase the availability and quality of affordable rental housing throughout the community.

The City allocated approximately \$2.6 million of HOME funds for the construction and rehabilitation of six affordable rental housing projects, creating a total of 395 affordable rental units. Three of these projects, Parkwoods, Rink Savoy and Brokenburr, are supported by Low Income Housing Tax Credits (LIHTC) awarded in 2005.

- Parkwoods is a 64-unit family development of which 56-units will be occupied by households at or below 50 percent MFI. The remaining 8 units are market rate units. The development costs of 1, 2 and 3 bedroom units.
- Rink-Savoy is a 60-unit historic development located in downtown Indianapolis. 51 of the units will be occupied by household at or below 50 percent MFI and nine units will be set aside for households below 60 percent MFI.
- Brokenburr Phase IIA is the second of a three phase development. The second phase is a 60-unit rental housing development to be built on the site of the former Brokenburr Trails public housing development. The development is a mixed income development with 50 units set aside for households below 50 percent MFI; three units set aside for households below 60 percent MFI; and seven market rate units.

During 2005, the City completed 481 units of affordable rental housing, 67 percent of which, were occupied by households at or below 30 percent of the median area family income.

Additionally, the following Marion County developments received an allocation of Rental Housing Tax Credits from the Indiana Housing and Community Development Authority (IHCDA) to either construct or rehabilitate affordable rental housing in the Indianapolis area:

Development	Total Units	% of Units Dedicated to Households at or below 50% AMI
21 <sup>st</sup> Street Seniors	60	88%
Canterbury House Apartments II	46	87%
Lynhurst Park Avenue	154	84%

## **Homeownership**

Approximately \$2.3 million of HOME funding was awarded to provide 129 homeownership opportunities in 2005. Activities included homebuyer assistance in the form of down payment and closing costs, development costs for new construction and the rehabilitation of existing units for sale.

Also during 2005, a total of 43 units of acquisition/rehabilitation or new construction were completed utilizing 14 local community development corporations.

61 families at or below 80 percent MFII were assisted through down payment and closing cost assistance, grants, loans and homeownership training. Homebuyer subsidies are generally provided by the Indianapolis Neighborhood Housing Partnership (INHP.) Recipients of subsidies from INHP, many of which were first time homebuyers, were required to participate in the organization's Home Ownership Training (HOT) course.

## **Affirmative Marketing**

The HOME program requires that affirmative marketing steps are taken by participating jurisdictions when using HOME funds for rental or homebuyer projects that contain five or more HOME-assisted units. Affirmative marketing steps consist of actions to provide information and attract eligible persons in the housing market to available housing without regard to race, color, national origin, sex, religion, familial status or disability.

Methods for informing the public, owners and potential tenants about federal fair housing laws and the participating jurisdiction's affirmative marketing policies consist of several activities. This includes the use of the "Equal Housing Opportunity" logotype or slogan in press releases and solicitations, commercial media, community contacts and the display of fair housing posters in public areas of offices. In addition, affirmative marketing requires that applications be solicited from persons in the housing market area who are not likely to apply for the housing without special outreach. The use of community organizations, places of worship, employment centers, fair housing groups or housing counseling agencies are recommended ways to reach these groups.

In 2005, project sponsors were given a copy of the Grant Management Policies and Procedures, which provides ways of meeting the goals of affirmative marketing, as well as the federal regulations required by HOME. The requirements were included in all HOME agreements and therefore contractually binding. Seven contracts fell within the affirmative marketing threshold in 2005. Of those, two were completed during the calendar year. The remaining five are at different stages of development and were extended into 2006. Affirmative marketing will continue to be monitored



on those projects into the next year and beyond. Documentation detailing actions taken to meet the requirements are to be turned in at project completion.

The City monitors all project sponsors annually. One aspect of the monitoring visit is to determine if the project is in compliance with the affirmative marketing requirements. The City requests copies of housing advertisements or marketing material from project sponsor's that include the equal housing opportunity logo or slogan. In addition, the City verifies that fair housing posters are displayed publicly within the project sponsor's office. The project sponsor is also required to provide a description of what actions are taken to affirmatively market HOME-assisted housing if the number of units exceed five.

### Inspections

Some 270 units were scheduled for inspection in 2005 by the City's third party inspector, Criterium VanMarter Engineers. In all, the City has a total of 41 completed rental developments in its portfolio. During 2005, 29 developments of 252 HOME-assisted units underwent physical inspection. Additionally, 24 developments, totaling over 750 units had an on-site tenant file review completed.

### Minority Outreach

The City encourages that efforts are made to utilize minority and women-owned businesses in all contracts entered that facilitate affordable housing activities. This minority outreach program ensures the inclusion, to the maximum extent possible, of woman and minority owned businesses. The following chart depicts the contract and subcontract amounts awarded to minority (MBE) and women business enterprises (WBE) in 2005.

Type of Contract	Total Dollar Amount	Amount to MBE	Amount to WBE	Percent of Total to MBE/WBE
Contract	\$2,146,690	\$351,167	\$0	16%
Subcontract	\$296,690	\$21,400	\$0	7%

The HOME program's goal of improving the utilization of minority and women-owned businesses for purchases, consulting services, construction and economic development projects has been successful, however, the objective to make Indianapolis a city where all people have an equal opportunity to participate in business activities continues to be a focus.

In 2005, a task force was formed with staff from the City, the Indiana Association for Community Economic Development and the local Community Development Corporation to explore new ways to further expand opportunities for minority and women-owned businesses in the bidding process. The team developed a new

procedure to increase the percentage of contracts awarded to minority and women-owned businesses. The following steps will be implemented in early 2006:

- Better dissemination of information to City partners regarding the process of placement on the City of Indianapolis - Department of Administration MBE/WBE list of certified entities.
- On each and every procurement action, the project sponsor will send the bid to the City of Indianapolis through the Department of Administration, who will send this bid out to eligible MBE/WBE firms.
- The City staff will include with the request for bid, the appropriate information on when and to whom the bid is due.

The goal of this process is to increase the participation of MBE/WBE firms on federally funded developments.

In addition to the above, HOME promotes minority and women-owned business participation through all HOME project agreements, which stipulate that project sponsors shall use their best efforts to use minority businesses as defined by and in compliance with the City-County General Ordinance No. 125.

The City will continue to evaluate this new process and make appropriate changes in order to maximize MBE/WBE participation in federally funded projects and will continue to improve its efforts in regards to minority and women-owned business outreach.

### **Tenant-Based Rental Assistance**

The *2005-2009 Consolidated Plan* states, as part of its anti-poverty and homeless strategy, that the needs of the homeless and at risk populations attempting to achieve self-sufficiency may be served by providing additional affordable rental opportunities. In 2001, the City of Indianapolis entered into an agreement with the Coalition for Homelessness Intervention and Prevention (CHIP) to provide \$500,000 for Tenant Based Rental Assistance (TBRA) to families at or below 30 percent MFI.

CHIP administers the program and distributes funds to Contracting Agencies (CAs) who write rent checks and provide a range of support services. With this program, low-income households on the verge of homelessness (0-30 percent MFI) receive rental assistance for a period of twelve months. A one-time renewal is possible based upon income and participation in a self-sufficiency program. The self-sufficiency program involves the development of a plan that builds upon an individual's strengths by coordinating supports such as case management, skill enhancement, continuing education, employment services, childcare and mentoring

programs. Program participants must comply with all aspects of the plan in order to continue receiving TBRA assistance.

CHIP has identified the two primary barriers to running the program as 1) finding suitable families to participate and 2) a lack of time by CA staff to process applications due to excessive paperwork requirements. They have also stated that the level of case management that is available from the CAs also differs greatly which can also have a direct impact on the success or failure rates of clients.

However, in instances of success, there are many examples of participants who were able to save money, reduce debt, enroll in classes, improve their employment status, regain custody of minor children, move to safer areas of town, receive treatment for mental illness addictions and reduce other barriers to housing stability. For these, the case managers saw a positive impact on how rental assistance and a support system made a difference for these people.

CHIP's goal was to reach full enrollment (50 clients) by December 31, 2003. To date 47 participants have enrolled. During 2005, 21 households received rental assistance and case management. CHIP has graduated three households from the program who have attained self-sufficiency.

During 2005, an allocation of \$48,600 in HOME funds was made to Gennesaret Free Clinic to provide rental assistance to six men in need of supportive health care services. The mission of Gennesaret is "to provide competent, compassionate and accessible health care services to homeless and poor persons in our community and to respect the dignity of those who have been neglected." This particular award will house men in transitional housing units while providing them with health services that are vital to their success in the program. Genenesaret was able to provide rental and utility assistance to five men during 2005.



# Self Evaluation

The City of Indianapolis participated in various community development projects during the course of 2005. Various activities facilitating the creation of decent, safe, and sanitary housing have been implemented through a myriad of partnerships between the City, the business community and non-profit entities. These partnerships have been apropos to the development of Indianapolis neighborhoods.

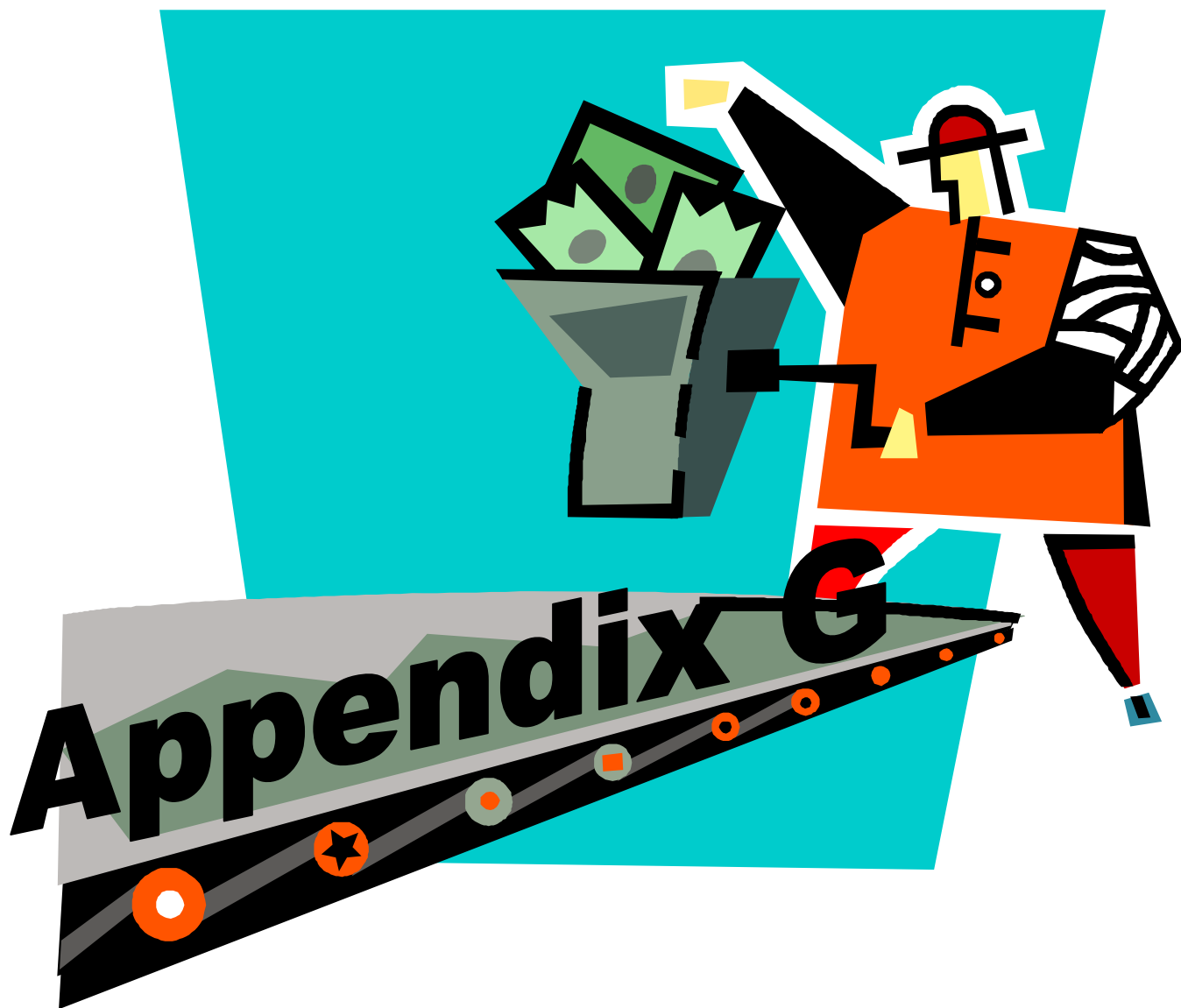
Communities are built on the foundation of homeownership. Fall Creek Place, a housing initiative supported by the collaboration between local government, non-profit and private sector partners, successfully concluded in April 2005. The completion of Fall Creek Place has resulted in the creation of 185 low-moderate income homeowners. Because of the project's success, the City, along with those partners that initially worked on the project, are joining forces to go beyond the original development area. Scheduled for commencement in 2006, the newest development area will be known as Fall Creek Place Phase IV and will encompass College and Broadway Streets, two blocks east of the original Fall Creek Place area.

An additional \$775,257 in down payment assistance made available through federal grant dollars was also disbursed by the City to the Indianapolis Neighborhood Housing Partnership (INHP) and the Indianapolis Housing Agency (IHA). As a result, in 2005, opportunities for homeownership and viable options for the creation of affordable, quality rental housing were pursued through the completion of several major projects that particularly serviced the housing needs of low-moderate income citizens.

Colonial Park, an apartment community that provides rental housing for chronically homeless and low-income individuals, is a City project that was completed in collaboration with Partners in Housing Development Corporation. A total of 106 low-income rental units were created. Rental units were also created in place of the Parkwoods Apartments complex, which was demolished to make way for the Villages of Mill Crossing housing community, which provides rental townhomes and apartment units for low-moderate income families and individuals. This project and the Walnut Ridge Apartments are changing the housing conditions of citizens residing in Indianapolis' Meadows area.

Walnut Ridge is a housing community that offers apartment homes for low-moderate income seniors. Completed in October 2005, Walnut Ridge provides a total of 78 units. The City also participated in the development of another affordable senior housing complex, the Christamore Court Apartments. Also completed in October 2005, the complex provides 34 units of affordable housing for low-moderate income seniors.

City partnerships with non-profit entities and private sector investors have created affordable housing options for low-moderate income citizens located throughout Indianapolis. As a jurisdiction, we understand the pertinent nature of partnerships. Realizing this, the City has utilized MAT Consulting to foster improved relations between the City and non-profit entities as we work toward improving Indianapolis neighborhoods. The sessions with the consultant resulted in the creation of three working groups comprised of City staff and non-profit providers: Coordination and Specialization, Unsafe Buildings and Abandoned Housing, and Marketing. These groups will work on various issues relating to housing and community development. In 2006, the City will continue to strive to create and maintain partnerships to provide quality and affordable housing.





# Public Comments

No public comments were received regarding this *2005 Consolidated Annual Performance Evaluation Report (CAPER.)*